

**TRABUCO CANYON WATER DISTRICT
FINANCE/AUDIT COMMITTEE MEETING RECAP
SEPTEMBER 15, 2009**

DIRECTORS PRESENT

Matt Disston, Committee Chair
Glenn Acosta, Committee Member

STAFF PRESENT

Hector Ruiz, District Engineer
Sharon E. Smith, Secretary/Treasurer
Michael Perea, Special Projects Manager

PUBLIC PRESENT

No members of the public were present.

CALL MEETING TO ORDER

Committee Chair Disston called the September 15, 2009
Finance/Audit Committee Meeting to order at 7:08 a.m.

VISITOR PARTICIPATION

Public comments were announced. No comments were received.

ORAL COMMUNICATION

Oral communication was announced. No comments were received.

COMMITTEE MEMBER COMMENTS

There were no comments.

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REPORT FROM THE GENERAL MANAGER

No report was provided.

ACTION ITEMS

ITEM NO. 1) FINANCE/AUDIT COMMITTEE MEETING RECAP

The August 19, 2009 Finance/Audit Committee Meeting Recap was presented to the Committee. No changes were made to the Recap.

Recommendation: The Committee recommended that the August 19, 2009 Finance/Audit Committee Meeting Recap be received and filed by the Board. (Consent Calendar)

ITEM NO. 2) OTHER MATTERS

Mr. Hector Ruiz, District Engineer, discussed two items with the Committee.

Rose Canyon and Lang Wells Facilities Upgrades

1) Fencing Alternate

Mr. Ruiz stated that CDM prepared renderings of the site area based upon recent discussions with a few concerned residents living near the site. The Committee and Mr. Ruiz discussed the renderings. Committee Chair Disston expressed concerns with the potential high cost of the revised fencing. Mr. Ruiz stated that the fencing option will be bid as an alternate.

2) CDM Change Order

Mr. Ruiz discussed a change order that totals approximately \$49,000. The 2007 original professional services budget for engineering totaled \$339,000. With the change order, the revised engineering cost totals \$348,855. Mr. Ruiz discussed the Scope of Work of the change order, including and design and construction impacts. Based on the revised Scope of Work, the construction impact has decreased by a minimum of \$315,000.

Recommendation: The Committee concurred that the change order should be brought before the Board at the September 15, 2009 Regular Meeting. (Action Calendar)

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ITEM NO. 3) TREASURER'S REPORT

ITEM NO. 3A) PRESENTATION OF AUGUST 2009 PRELIMINARY STATEMENT
OF REVENUE AND EXPENSE

Ms. Sharon Smith, District Treasurer, stated that the revenue and expenses at August 31, 2009 are 13 percent collected and expended. She discussed the reduction in water sales which indicates somewhat cooler weather in 2009 and a reduction in water usage. Agriculture revenue decreased by \$11,520 (10,755 units of water in 2008 compared to 6,250 units in 2009). Irrigation water increased, and residential water decreased by 416,000). Customer service revenues decreased due to the change in the late charge policy. Sanitation revenues increased due to cash receipt timing issues. Overall, reclaimed and recycled water sales increased over prior year by \$32,000.

Expenses were reviewed. Wages and benefits decreased which a number of line items decreased. Contracted professional services decreased due to the LAFCO pro-rata share being paid in July of 2009 versus August of 2008. Changes to the water expense accounts were discussed. Sanitation expenses also decreased.

Recommendation: The Committee recommended that the Board receive and file the August 2009 preliminary statement of revenue and expenses. (Consent Calendar)

3B) BILLS FOR CONSIDERATION

The bills for consideration were presented for the Committee's review.

Recommendation: The Committee recommended that the Board ratify payment of the September 15, 2009 bills for consideration in the amount of \$178,734.47, as presented. (Consent Calendar)

ADJOURNMENT

Committee Chair Disston adjourned the September 15, 2009 Finance/Audit Committee Meeting at 7:38 a.m.